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Evaluating M1992 as a Business Opportunity

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1 Abstract

The following business plan is intended to provide an overview of the company. Showing the evolution that it has had from birth to the present day. Highlighting the points that make it important and recognizable. This document will create a structure that will explain all the processes, from marketing to operations and financial analysis. To begin writing this document, a question was asked: "How to create a business plan for a fashion start-up?". In order to answer this research question, both primary and secondary market research were conducted. The following document contains sector analyses, market trends and other information that may give an overview of the market in which the company operates, showing that the luxury market is increasing and will increase in the future. The information used, highlight the position of the company and its strength to the reader, to support this a SWOT analysis is performed.

1.1 Keywords

Business Plan, Valuation, Brand Identity, Fashion Industry.

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2 General Overview

The people involved in this company are the real competitive advantage, they are what make this deal a good investment opportunity. Their experience in the field of fashion, but especially their connections with major brands have meant that, from the beginning they could create partnerships. In this world, the image and the connections you have are very important. M1992 immediately collaborated with Swarovski.

The main reference, the one from which we take more inspiration to develop this analysis is New Guards Group. Italian Group, which has created brands of street wear that in a few years has achieved fame, founded from scratch in 2015 was sold in summer 2019 for \$675 million. The great strength of these brands was given by the people who worked there and the various connections that allowed to create a high visibility of the brands. Of course there are several difficulties in this sector, first of all even established brands can have significant variations in turnover from one year to the other, this is because fashion is a sector in continuous evolution. To cite the case of Marcelo Burlon, an Italian streetwear company that in its second year of activity recorded a turnover of 20 million, and then fell by 40% the following year. A brand can be very successful for 1 or 2 years and then literally fail, this is the one of the major problem of this business. To change these sudden changes in fashion is important to create a story behind, and make the brand a reference point. This can happen by creating something never done before. In this case M1992 is trying to create a fusion between different arts, which are represented on the clothes. This makes it very different from many other brands and characterizes it. Nevertheless it could be something that in the future might not attract more and consequently make the brand less interesting. The cyclicity of this sector is the biggest problem. There is no predictable growth, you can grow up to 200% a year and then stop completely.

2.1 Company description

M1992 is a high style level sportswear brand that target young males and females. M1992 is born in 2013 from Dorian Tarantini a dj, designer and influencer, who expanded its fields of interest until

they converge in the "luxury" project artistic, aesthetic and musical of his brand Malibu 1992. The elegant and decadent style that has allowed him to successfully carry out projects related to the visual arts, the clubbing and fashionable people.

M1992 represents a real disruption within the world of fashion, trying to combine different types of art to create a new culture of sportswear, "a digital degeneration of luxury" as Dorian said.

The key message linked with M1992 clothing is a brand in which concentrates and list dreams of the past as well as an exaltation of the future.

2.2 Company Goal

M1992 has two main goals. The first is to expand its sales network and thus increase revenues. This seems to be achievable in the next three years, the company believes that this goal is strongly achievable, given the significant already successful expansion in the few previous years. In fact, M1992 is already present in many boutiques of international fame. M1992 is currently distributed by the prestigious Tomorrow Showroom and is present in 50 of the most exclusive international stores such as Boon The Shop Seoul, Harvey Nichols, Excelsior Milano, Luisa Via Roma and Sugar, just to name few of them.

The second goal is to be able to rely on a clothing manufacturer that invests in the company. In fact, M1992 believes that as a strategic plan it is essential that the interests of the brand coincide with those of the manufacturer, in order to improve internal communication and make the process of development of the new collections faster and more streamlined.

2.3 Company objectives

- To create a well-defined corporate structure in the next three years. In fact M1992 despite the sales and awards already obtained is still in the startup phase. This phase is characterized by the fact that the team members do a bit of everything what needs to be done to grow the business.
- To increase the presence in wholesales, from 50 in 2018 the goal is to reach 200 in 2021.
- To increase the revenues and percentage of EBITDA.

2.4 Mission and Vision statement

M1992 wants to express a concept through its luxury streetwear. In fact, each collection is dedicated to some social aspect and the objective often is to move a social aspect further or awaken past epochs in a modern way through the collections. The mission is to dress bold young people with a non-conformist ideology. M1992 must represent a community of people, the products must be immediately recognizable to send a clear message to the fashion industry.

The vision of the brand is to spread a culture, important for M1992 is to let the world know that behind every item of clothing there is not a simple design search, but a real concept. The value for M1992 is to educate the consumer. The project was driven by music thus customers must think deeper in order to feel and understand the concept that each dress expresses.

2.6 Target Market

The active consumers represent a demographic group of well-behaved and successful individuals. They come from high-level families or those with high incomes. M1992 consumers are young, mainly in the 18-35 age group. Attention to detail is what sets them apart. Despite their age, they have a very active lifestyle, are successful young leaders. They are somehow linked to the status quo. They are individuals who want to be associated with a high quality products for which they are willing to spend a premium price.

The characteristics of the client are typical of young Americans and Asians. Mainly because of the greater economic development of these areas compared to European ones.

2.7 Industry competitors

M1992 offers a very particular line of products, positioning itself as streetwear, the potential competitors are countless. However, the style is much sought after and brands that can be defined as direct competitors are less, and above all they are small companies. Although it is a very competitive market with many players, the positive factor is that it is constantly growing. The report on luxury by Bain & co, shows that only in China, a market of great importance for M1992, the luxury segment recorded a +19% in 2019.

2.8 Legal structure

M1992 is an Italian company, the trademark belongs to M1992 S.R.L. The company has its registered office in Milan, Italy. It is owned 40% by ICONEL S.R.L and 60% by Stefano Tarantini. The management of the company is entrusted to the management of ICONEL S.R.L.

2.9 Strategy

M1992 currently has two key points for its strategy. One is to aggressively develop the sales network, trying to increase the global presence in various stores. This is already happening with the autumn/winter 2019 collection as there has been an increase in the presence in retailers, going from 50 stores up to 80 from the previous collection. Surely this is still not enough, and the goal is to be present in 250 stores by 2022.

The second point of the strategy is to develop a strong marketing campaign, to create exclusivity and affection to the brand. In fact, the development of a network of consumers affiliated with the brand is one of the key points for the company, M1992 wants to create a real circle of affiliated consumers.

3 Product

M1992 offers a quite vast collection, this includes jackets, trousers, t-shirts and shirts. The last collection presented counted 120 pieces and the designers are even working on the development of shoes, which is a missing segment in which they believe they can successfully fit in and increase sales. The company is aimed both at a female and a male audience.

The products are developed entirely in Italy, M1992 greatly respects this aspect of Italian quality work and not only relies on entirely Italian manufacturers, but also uses exclusively Italian materials.

The development of clothes made from recycled materials is also planned for the future. For M1992 it is important to send a message to the fashion world and its consumers, the company wants to position itself among the avant-garde of this movement to try to maintain a greener world.

“Consumers are increasingly aware and concerned about social and environmental responsibility in the fashion industry. Proprietary research by Boston Consulting Group shows that 75% of consumers

in the five countries surveyed, view sustainability as extremely or very important. This is further substantiated by an increase in sustainability mentions on social media, which was a third higher than the overall growth of social media posts. As the growth of positive mentions of sustainability is more than proportional, brands have an opportunity to leverage their work toward better practices, contribute to the positive momentum and maintain a competitive edge with consumers. As more digital and social media natives come of age, with their expectation and desire for information, brands must increasingly connect with them where they are most engaged.” (BCG, 2019)

3.1 Prices

M1992 is positioned as a luxurious streetwear brand, the prices will therefore reflect the quality and exclusivity. For each collection, the company spends a lot of time and effort in research of materials, style and design of each of its products. Moreover the materials used, such as silk, leather and cotton, are all of the highest quality. The markup placed on M1992 products represent also the customers willingness to pay the premium price because of the perceived value added and high quality.

3.2 Competitive Edge

Nowadays consumers are constantly under pression by advertising and marketing campaigns, the meaning of what they wear is every day more important because what they wear represents what they are. That's why it's important to create a brand with a strong and recognizable name, there is less time to devote to shopping, consumers buy a lot online and this means that customers buy brands already known and trusted. A competitive advantage of M1992 is its marketing strategy. Karla8, one of the largest communication companies in the world, contacted M1992 because it believes in the project and offered its help to increase the brand awareness. In the beginning they operated for free, while now M1992 pays a fee lower than 50% of the normal fee. Karla8 involves celebrities through gifts, advertising, promotions and organization of parties.

4 Industry Analysis

“The year ahead will be an awakening after reckoning of 2018 or fashion players. The ones who will succeed will have to come to terms with the fact that in the new paradigm that is taking shape around

them, some of the old rules simply don't work. Regardless of size and segment, players now need to be nimble, think digital-first and achieve ever-faster speed to market. They need to take an active stance on social issues, satisfy consumer demands for ultra-transparency and sustainability, and, most importantly, have the courage to “self-disrupt” their own identity and the sources of their old success in order to realize these changes and win new generations of customers.” (McKinsey&Co, 2019). The McKinsey & Company report indicates that new markets, new technologies and changing consumer behaviour will present opportunities and risks. The prediction is that cut in the future customers will be increasingly interested in social causes, technology and transparency of the companies. Only companies that are able to manage this transition will succeed in the years to come. M1992 is developing with this mindset, for this reason they are sure that we will be able to play an important role by creating a great link with consumers. The future of premium and luxury segment is overall optimistic, while value and mid-market players appear to be more distressed.

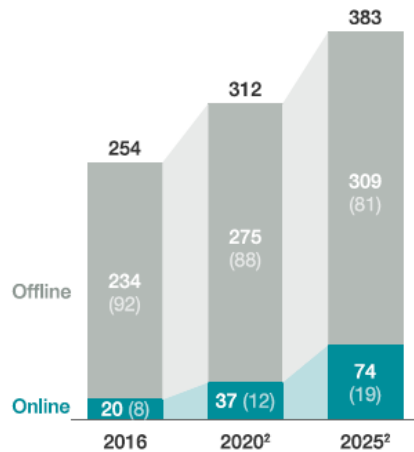
4.1 Market Trends

Taking into account the words of this report, M1992 is moving in the right direction. A very important aspect, still under development, is an e-commerce and a very strong online presence. Currently some of the most important e-commerce platforms such as Farfetch, Luisa Via Roma, 10 Corso Como, already sell M1992 products. “Online sales of personal luxury goods (accessories, apparel, beauty products and perfume, footwear, jewelry and watches, and leather goods) account for 8 percent of the €254 billion global luxury market. That's about €20 billion—up fivefold from 2009—and we expect online luxury sales to more than triple by 2025, reaching about €74 billion (exhibit). Nearly

one-fifth of personal luxury sales will take place online.” (Mckinsey&Co, 2019)

By 2025, nearly a fifth of luxury sales will be online.

Sales of personal luxury goods,¹ € billion (%)

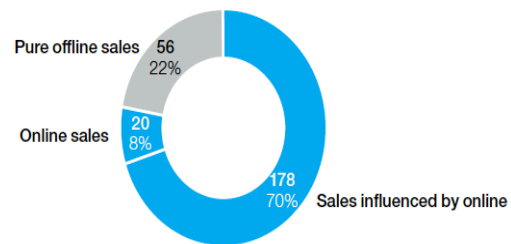


¹Accessories, apparel, beauty products and perfumes, footwear, jewelry and watches, and leather goods.

²Forecast.

Source: Euromonitor; Forrester

80% of sales are influenced by online
Sales of personal luxury goods¹, € billions



SOURCE: Euromonitor; Forrester; companies' Annual Reports; McKinsey

4.2 Market segmentation

M1992 plans to target clients in the 18-35 age group. The influence of younger consumers continues to grow, according to Bain & Company's. (Bain&Co, The future of luxury, 2018). New generations are the engine of growth for the luxury market. Generations Y and Z will account for about 55% of the 2025 market and will contribute 130% of the market growth from now until 2025, offsetting the decline in sales among the older generations. The target customers of this group have many things in common, they are high worth individual, have a culture for fashion and always want to be updated with new trends, utilizes Internet for most information and purchases. The reference markets where to find a high number of consumers with these characteristics are North America, Japan, South Korea and China. Among the markets that M1992 considers as reference, the fame is growing, especially in North America and Japan. In fact, the latest collection has been purchased by very important stores such as Maxfield (Los Angeles), RSVP (Chicago), The Celect (Los Angeles), Isetan (Japan) and LHP (Japan). These are just some of the important names that have begun to sell M1992 after the last collection. Strategy&, a strategic consulting firm in the PWC network, worked with Hyperbeast

magazine, one of the most important magazine in the fashion industry, to analyze the streetwear market. The following is a survey conducted on 40,000 people worldwide.

- Streetwear consumers are young: more than 60% of consumers surveyed were under 25.
- They are not all that wealthy, either: about 70% of respondents reported an annual income of \$40,000 or less.
- But they have money to spend on their favourite brands: 56% reported spending an average of \$100-\$300 on a single item. Asian consumers spend more, with 32% of Japanese respondents spending an average of \$500 or more per product.
- They connect directly with brands both offline and online: 53% are most likely to buy streetwear products in the brand's own store; 42% from its website.
- Social media is their top source (84%) of influence, followed by the other young, urban people they see around them.
- Successful brands have strong links to the cultures out of which streetwear grew: musicians have the most credibility among consumers of the survey (65%), some way ahead of social-media influencers (32%).
- Streetwear's young fans think of themselves as being socially conscious, a trend that is spreading to all consumers: 70% said social awareness and brand activism were important to them, while 29% of PwC's GCIS participants responded they buy brands that promote sustainable practices.

Consumer spending insights

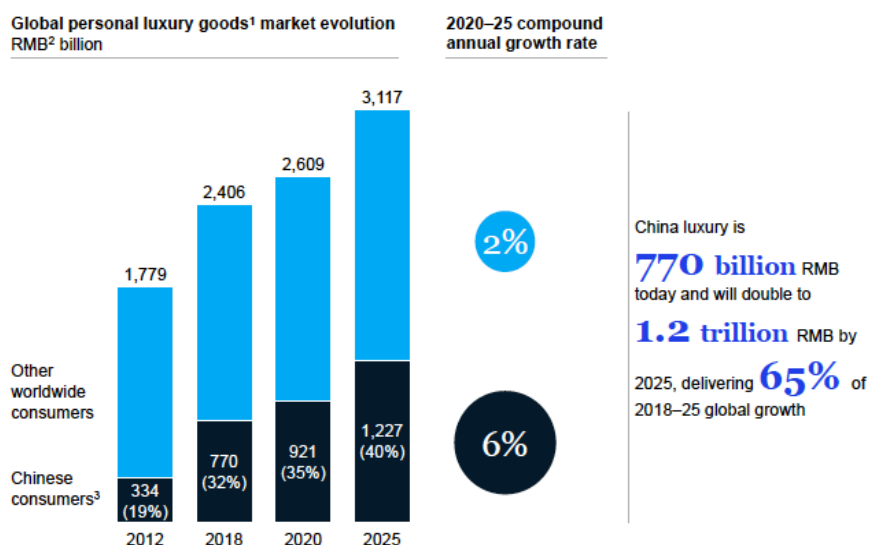


Source (Strategy&, 2019).

4.2.1 Chinese Consumers

A great reference market for M1992 is the Chinese one, both for the style of the Brand and for the fact that young Chinese consumers are frequently purchasing luxury goods. Young Chinese people see brand affiliation as a social statement. They don't just see clothes as items to, but they are a lifestyle that identifies them as part of an exclusive community, as mentioned above this is exactly what M1992 seeks in its consumers. Chinese expenditures on luxury are expected to double by 2025.

(Mckinsey&Co, China Luxury Report, 2019)



¹Ready to wear, accessories, watches and jewelry, and beauty.

²Fixed exchange rate of €1 = 7.3 RMB.

³Both domestic and overseas spending.

SOURCE: China Luxury Report 2019; China Luxury Report 2017

The Chinese market is therefore a very important market for the M1992, but at the same time it is a complex market to penetrate, because of the difficulties both from a legislative point of view and getting into the heads of consumers. But with help of the communication agency Karla8, partner of M1992, which has a strong presence in Shanghai. The distribution will also start in China by 2020.

4.2.2 Brand penetration

According to the Mckinsey report, brand loyalty tends to be higher among the older generation, younger consumers in particular tend to value design, fabric, and the production process. Young consumers prefer foreign luxury brands, particularly those from France and Italy, closely followed by Great Britain, with Japanese and American labels also more appealing than homegrown luxury alternatives. For the time being, it is European brands that command the greatest recognition, and which are most strongly desired by consumers. Research also suggests young consumers are loyal not to brands per se, but to iconic brand-product combinations. Willingness to try new brands is a consistent theme across generations, but it is the post-'90s consumers who are committed to the widest basket, and at the same time most prepared to venture outside their comfort zone, for this reason M1992 sees its expectations of market penetration very positive.

4.3 SWOT Analysis

The M1992 SWOT analysis provides an opportunity to examine the internal strengths and weaknesses the company must address. It also allows to examine the opportunities presented to M1992 as well as potential threats.

4.3.1 Strengths

- High quality of clothes, with great attention to detail in design, manufacture and promotion.
- Distinctively design, instantly recognizable with a great study of past fashion and materials.
- Reinvented itself from a visual art project to lifestyle brand, through this passage the imagination of the designers makes it possible to create unique pieces, with totally new styles influenced by multiple arts such as music and visual art.

- Growth through collaborations: M1992 has developed several collaborations during its collections. These are strong engines of growth and visibility, among the names there are internationally renowned brands such as Swarovski, MAC Cosmetic, Baracuta and HP Computers.

4.3.2 Weaknesses

- As a company still in the start-up phase of course there are still many weaknesses, the fashion market is very large, every day many brands are established and they can achieve success after a few months thanks to social media, thus the competition is very high. Additionally, because of the speed with which the critical mass is interested in one brand rather than another, it is possible to achieve success for two collections in short-term manner but fail to meet shifting demand in a long-term perspective.
- Limited product line: M1992 consists of Apparels which in itself is limited in the luxury & fashion segment, whereas many other companies broadened their product line to Beauty products, accessories and other segments.
- Lack of Financing/Capital requirements; these are the financial resources required: infrastructure, R&D and advertising.

4.3.3 Opportunities

- Developing emerging market: Entering into new markets like China, Japan, Hong Kong and many others.
- Increasing demand of premium products: In the light of the above analysis, a growth of the luxury market is unavoidable.
- Product expansion: Expanding the product line will open new opportunities and at the same time differentiating M1992 from competitors.

4.3.4 Threats

- Threats of imitations and fake products: One of the biggest problems premium brands have is the imitation of their products, this can affect the brand's reputation. Intellectual property is critical to the brand's reputation, success and competitiveness.
- Competition: Competition with other players with global presence is a threat to M192.
- Fashion laws & Government policy; Governments can limit or prevent entry to industries with various controls (for example, licensing requirements, limits to access to raw materials).

5 Marketing Plan

M192 not only develops the clothing line but supports it with advertising and promotion campaigns. The company plans to strengthen its partnership with retailers by developing brand awareness. The marketing strategy for any product or service is aimed at defining how the market penetration process will be carried out, formulating the marketing mix to establish the most appropriate mixture of product or service characteristics and ways in which these will be supplied and presented in order to maximize the potential value and interest to the target groups of customers that were identified in the market research process; and develop a sales plan to define the range of sales activities that will be used.

5.1 Marketing Communications

The key message of M192 is avant-garde, youth and high style brand. The company's promotion plan is different and includes a range of marketing communications.

- Promotions: Many industry newspapers often publish articles on M192, the brand is often present on Vogue, L'Officiel and Billboard.
- Trade Show: M192 takes part in fashion shows or similar activities, recently it was invited to New York to exhibit her clothes at the Moma museum as an emerging Italian brand. In 2017 M192 was Pitti special project.

- Internet: M1992 is developing a strong online presence, the website with e-commerce is under construction, while the presence on social networks grows more and more, especially thanks to the collaborations that M1992 creates with other brands. Social media will be one of the main marketing channels for the company in the future.
- Celebrity representation: M1992 will use various celebrities to promote its products, both on social media and physically. The other partner of the company is Icone S.R.L, a company that deals with singer merchandising and is one of the major players in the sector, so M1992 will benefit from this network.
- Public relations: The communications agency Karla8, one of the world's largest communications agencies, will take care of the brand's public relations. This also means inviting celebrities to the brand's fashion shows.

5.3 Sales and Distribution strategy

M1992 wants to develop a sales team that will take care of both national and international sales. A key factor in the future success of the M1992 will surely be its distribution. M1992 for the near future sees the expansion through luxury boutiques, still the mono-brand stores are not in the strategy of the company, this also for a factor of economic resources. Also, online selling/distribution will play a key role. For this reason M1992 is developing a very interesting e-commerce and is increasing its online presence at other e-commerce platform with high level products.

5.4 Human Resource

The company currently has three full-time employees, who are the founders of the brand, they are divided into two designers and one who deals with marketing and sales. The general management of the company is entrusted to a manager of ICONEL, the goal in the next three years is to grow in such a way as to create a more solid structure. The figures necessary to ensure that the M1992 is managed in the best possible way are: A general manager, two sales man, project assistants who depend on the type of project that the designers are developing and therefore may need more or less people. There will also be interns who will depend on the needs of the company in the future.

The composition of wages will be as follows: M1992 will have a manager who will be paid with shares and low fixed salary and a portion of variable according to the performance. Two sales men as employees, their compensation will be made up of a low basic salary and the rest will depend on sales performance. Project assistants will have on-call contracts so they will not be employees of the company. The 3 founders will also have a basic salary.

6 Operations and Organization

The operations are currently managed by the three founders and an intern. As it often happens in a start-up all the people involved take care of a bit 'of everything. Two of the three founders are designers, and constantly work to design new products, their task is also to do a lot of research, this consists in traveling to explore different brands and trends from which to take inspiration. Their work is in the creative field, so they also deal with the production of fashion shows and the choice of fabrics. While the other two members of the team manage what gravitates around the company: customer orders, development of marketing campaigns, contacts with manufacturers, office stuff and business development.

6.1 Production

The production of the products is a very important and delicate phase, it requires a detailed planning and from the moment in which the search begins to the moment in which the sample book is ready pass by about six months. The production then takes place once the designers have finished the phase of research, design and development of the first models. The models are used to understand what line to give to the product worn, these are called "paper models". Once the models are completed, the textile research phase takes place. This phase requires precise planning as the order must be made in time, since deliveries generally take six weeks. M1992 relies on an external manufacturer for the development of the garments. Collaborations with these external suppliers must be begin 2 months before Fashion Show starts to ensure the sample book is final at that time. This company will then take over the entire development process, including production planning, quality control and all other related activities.

6.2 Sales

Once the production phase of the collection is over, it is presented at the fashion show. Normally M1992 presents two collections, in January present the Fall/Winter collection of the current year and in June the Spring/Summer of the following year. After the fashion show The sale campaign runs for a month. This is composed as follows: M1992 relies on Axiom which is a showroom in Los Angeles that for 1 month and a half calls contacts and organizes meetings to propose the products. The products are presented first in Paris and then in Los Angeles. During this phase they collect orders from the shops and at the end of this road show they communicate the garments to be produced to the production company. M1992 produces about 10% more of the orders, so that it can sell on its own e-commerce as well. The manufacturer requires payment of the goods within 90 days of delivery, while buyers pay 50% of the orders at the time of confirmation and the remainder once the items are obtained. Thanks to this, the company manages not to have a large cash outflow for production and uses all its resources for other activities.

6.3 Business Location

M1992 is based in Milan, from here it manages all the company's operations. At the moment it does not have its own offices, but relies on those of the partner ICONEL. In fact, in this way the costs are contained so they can use as much as possible money for the growth of the brand. The ultimate goal is to have its own office once obtained the investment that M1992 seeks. Many of the companies that work with M1992 are also located in Milan, this makes communication and meetings more efficient and faster. While the manufacturing companies are outside of Milan, the two production districts to which M1992 is most addressed are in Tuscany and Veneto.

7 Management and Organization

M1992 strongly believes that the organization is defined as the set of resources consisting of people and relationships. The requirements that the organization must possess in order to succeed are: to have a common purpose and to address in harmony to the goal. Have a clear view of number, type and characteristics of people and means in accordance with the objective. It is necessary to develop

a clear definition of tasks and responsibilities, according to a hierarchy and a set of rules for maintaining all relationships.

7.1 Team Overview

Gherardo De Angelis: Gherardo founded his first startup in the world of fashion at the age of 24, he had created a virtual closet in which to combine clothes of different brand in different website and purchase them directly from the app. He finished his adventure by selling his shares to investors. At the moment he co-founded ICONEL, a company that produces and sells merchandise for great Italian artists, the success of this company was immediate and is positioned as one of the largest players in the industry in Italy. With Iconel, Gherardo has invested in M1992 and currently manages operations for business growth.

Dorian Tarantini: Dorian was the creative director and DJ of Plastic, the historic disco in Milan, in this environment he has created a large portfolio of contacts and has contributed to the production of many fashion shows and social events. His passion for art convinced him to create Malibu, which later became M1992, the project was born as a jewelry company that immediately gets a great success. In fact, artists like Rhianna and others have purchased his jewelry, making the site immediately Sold out. Dorian is responsible for the research and development of the collections.

Matteo Mena: Matteo is a freelance designer, who designs for various fashion houses and supports Dorian in the development of the collection.

Gaia Ramona: Gaia manages all the organization and development of the collections, having gravitated in this environment for years with collaborations for different brands.

8 Financial plan and Capitalization

M1992 is looking for an investment and above all an investor who can help the company to grow and develop the brand. The importance of an investor derives not only from his economic contribution, but also and above all from the skills that this can give. In an initial phase such as that of M1992, finding the right people is essential to make the right decisions on how to move. In fact, the know-how of an experienced investor can direct the positioning of the brand, can create the right image and

above all can have the contacts to promote the company in the best way. Moreover, in the case of M1992, where production is entrusted to the investor, it is even more important to find the right people. This is because they will decide the production times, the quantities and how to manage the logistics.

M1992 will have a quarterly fiscal period, and the fiscal year is the calendar year. To manage cash flow, the company plan to create a quarterly budget that is compared to actual income and expenses for that fiscal period as M1992 financial statements and other financial documents.

8.1 Evaluation Criteria

As often happens in a startup, finding the numbers to make a concrete and truthful valuation is very complex. Not only because is a business that can easily fail, but also because many phases of the processes are difficult to quantify in terms of costs. For this reason, to develop the analysis the reference are the numbers of New Guard Group. The reasons why this group is used is that there are many factors in common. Both are young Italian streetwear brands; these also start from Milan and they have made partnerships with other brands as engine of success. To understand the potential growth of the brand, M1992 has made a study of comparable companies, Off-White, one of the best brands of NGG can give a general overview of the growth that a fashion brand can achieve. Analyzing the numbers and growth of Off-White, M1992 has developed its own growth analysis.

OFF-White			
€k	2014A	2015A	2016A
Sales	2.628,0	12.430,9	33.915,3
<i>Growth (%)</i>	-	373,0%	172,8%
Gross Margin	419,7	5.673,8	13.066,6
<i>Margin (%)</i>	16,0%	45,6%	38,5%
EBITDA	54,3	1.653,5	6.936,4
<i>Margin (%)</i>	2,1%	13,3%	20,5%
EBIT	35,2	1.611,8	6.840,3
<i>Margin (%)</i>	1,3%	13,0%	20,2%

To explain the numbers of the analysis of M1992 it is necessary to mention some numbers on NGG.

The group founded in 2015 has 8 brands of which the oldest was founded in 2012 and the youngest

in 2015. NGG has just been sold to Farfetch for 675 million dollars. The evaluation made by Farfetch is evaluated as follows: " Based on an initial analysis, we recognized goodwill of \$183.5 million and Brand intangibles of \$830.2 million, along with other assets of \$90.2 million offset by liabilities of \$241.4 million and minority non-controlling interests of \$158.4 million." (Farfetch, 2019). With revenues of 315 million and an EBITDA of 60 million, the value paid is 11x EV/EBITD. Interesting is the value of the brands, of \$830 million. This is to demonstrate how the value of the brand can be greater than the value of the company itself.

8.2 The 3 Stage Model

To develop an analysis on M1992 a 3-stage model was applied. In which the key factors for the analysis are: Growth, Profitability, Asset Intensity and Cost of Capital.

Growth: As a young company that is already growing so much, the growth rates that were applied during the evaluation in the 3-stage model are in line with the normal growth of a startup. This rate is in line with the growth that is achieved by successful emerging brands. Just think of the above-mentioned Off-White that from 2014 to 2015 recorded a growth in turnover of 373% and then in 2016 of 173%. For this reason, the growth rate applied is 50% per year for the first 5 years. Subsequently, change to a 25% increase from 6 to 10 years and from the eleventh year onwards increases by 5%. This growth remains quite conservative. In the first years of activity it is ordinary for a startup to grow so much and very quickly. Of course, growing so much in such a short time is expensive, for this reason in the early years the costs are much higher.

Profitability: Within the 3-stage model, it is common to see that in the initial years profitability is negative. The reason for this is that in order to grow quickly, a lot of resources are needed and therefore cash is invested to increase the number of customers. As usually happens in startups in the fashion industry, marketing expenses are the most important source of cost of goods sold, which once the company has penetrated the market may decrease and thus leave more space on the margins. Other factors that affect profitability in the early years, are the economies of scale. That is, the less you produce the more it costs, so over the years increasing customers and then production there will be

more margin for each dress. M1992 buys from the producer the garments and resells them, therefore in the first years it will buy garments at higher prices as volumes will not be very consistent. Growing in terms of turnover, means increasing expenses, but productivity improves from year to year, from -27% in 2020 to stabilize at 23% in the years of maturity, from 2025 onwards. Always referring to the numbers of Off-White, is it possible to see how the things just described are also reflected in this company, the profitability increases over the years. Consider that NGG offers 8 brands, so production will be consequently higher and levels of profitability follow.

Asset Intensity: The asset intensity, which is the amount of assets necessary to generate a given level of sales, is made up as follows: Net operating asset in year t / Sales in year t. NOA is made up as follows: NOWC+NPPE+NOOLTA.

-Net Operating Working Capital: is the sum of transaction costs, account receivable, inventory other operating assets, from which it is subtracted, account payable, taxes payable and other operating current liabilities.

- Net Operating Other Long Term Assets: this is the sum of other long term assets and other long term liabilities.

- Net Property Plant and Equipment.

M1992 wants to pursue its growth strategy with the lowest possible level of asset intensity. A company with a low level of asset intensity is leaner, certainly bargaining power of a company with low asset intensity is less but at the same time is more flexible to change. M1992 wants to bring a manufacturer into the company for this reason, to share the weight of the asset intensity. This strategy is reinforced by a research published by BCG, which shows that out of 2687 companies analyzed, across 24 different industries, the analysis reveals that the lighter the company is as asset intensity the better the returns compared to competitors with greater asset intensity. (BCG, When Asset Intensity is right , 2018). What will weigh on M1992 are the warehouse and the inventories. Since M1992 is not a manufacturer, it is possible to see such a low asset intensity. Making an analysis of various fashion companies, not manufacturers and therefore with few assets, it is normal to see a low

asset intensity. At the moment the amount of NOA of M1995 is 25'000 euros, this places an asset intensity of 5%. In addition, an analysis has been made of some Italian streetwear brands that are not producers, such as: Iuter, GCDS, N21 and Palm Angels. The average asset intensity of these brands is 6%. All these data come from the 2018 financial statements of the companies mentioned. (Calculations in Appendix).

Cost of Capital: Finding the discount rate involves determining how risky the expected cash flow is. Obviously, the riskier it is, the higher the cost of capital. Normally the level in a startup is high, and investors want to be remunerated for this higher risk. the cost of capital formula is: $K = \text{Risk Free} + \beta * (\text{Market Risk} - \text{Risk Free})$. Therefore, the above formula was applied to identify the cost of capital. To find the risk free, an analysis was made on the average of the Italian 10y bond yield from 13/12/2009 to 13/12/2019, the result was a risk free of 3.12%. As far as beta is concerned, an average over 10 years of 10 listed Italian fashion companies was made, those are: Ferragamo, Aeffe, Cuccinelli, Moncler, Tod's, Cover 50, Ovs, Ratti, Csp, Basicnet. The average is a Beta of 0.814. The Premium risk was taken from a study by the NYU, (NYU, s.d.) which each year identifies the premium risk for each country, this is 9.08%. A cost of capital of 10.84% was obtained, $K = 3.12\% + 0.814 * (9.08\%) = 10.84\%$.

8.2 Investement

The proposed 3 stage model, following the above data, showed that M1992 will be profitable from 2023, with a turnover of 2.278 million and an EBITDA of 184.630 euros, therefore with a margin of 8%. The enterprise value at 2023 is 16.474,886 million. The terminal value is 21.948,32 million and the terminal value discounted is 7.843 million. The analysis shows that by 2030 the expected turnover is 5.451.616 million with an EBITDA of 23% and an Enterprise Value of 24.327,775 euros.

The investment required serves to cover the costs, below the carry-overs of the next 18 months. The required figure is 1,391.600 million. This is for 15% of the company, assuming a post money value of 9,277.333 million euros.

Costs			
	Ammount	Times	Total
Milan Office	€1.500,00	18	€27.000,00
Proect Assistant	€800,00	18	€14.400,00
Content Creator	€800,00	18	€14.400,00
Marketing	€20.000,00	4	€80.000,00
Press. Karla8	€6.000,00	18	€108.000,00
Budget vip	€10.000,00		€10.000,00
Fashion Show	€200.000,00	4	€800.000,00
Press days	€10.000,00	4	€40.000,00
Comunication	€50.000,00		€50.000,00
Office style	€60.000,00		€60.000,00
e-commerce	€7.000,00		€7.000,00
Salary	€1.400,00	72	€100.800,00
Reimbursement	€80.000,00		€80.000,00
Total			€1.391.600,00

9 Valuation

Nowadays, in order to create a valuable brand, it is important to create a strong reputation both online and offline. Customers are attracted by what trendsetters offer, but above all they are attracted by exclusivity, by what is difficult to find. There are cases like Supreme, which offers limited pieces that are always sold out. This brand shows how, if you can get into the heads of consumers, you can sell without marketing campaigns. The value of a brand, therefore, is not based on the classic margins. Just think that the PE fund "Carlyle" has bought 50% of Supreme for a sum of 500 million dollars. Supreme has a turnover of 100 million, but the EBITDA is not public. Even assuming a very high margin, the multiples used for the evaluation must be really high too. These figures are sufficient to understand how the name of a brand is much more important than its numbers. Success is strongly due to the collaboration that Supreme has had from 1994 to the present day. This growth model is the same as the M1992, in fact with its collaborations is already growing so much. These collaborations are helping M1992 to make itself known in the world of fashion. Some brands have called Dorian, even to relaunch their companies. This happened in the last collaboration of Borbonese, a historic Italian brand that was facing a difficult period, where it needed a younger and fresher style. This of

course, given the importance of Borbonese, creates a lot of fuss in the media and attracts attention on M1992. For this reasons the road to create a brand with strong and recognizable is still long, but it is developing properly.

Another case that shows how much having a strong brand is more important than the intrinsic value of financial data is Versace. Acquired in December 2018 by the Kors Group. Versace, with a turnover of 850 million dollars and an EBITDA of 85 million which is the 10%, was acquired for 1.83 billion dollars. This valuation resulted in a multiple of 22 times the EBITDA. (Reuters)

This shows once again, as already reported in previous cases, how the value of the Brand in fashion is a very strong intangible value.

Assuming an exit for M1992 in 2025, an EV of 18.619,640 million would result in a multiple of 16,68 times the EBITDA, so a value that can be considered correct in this sector.

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Appendix:

To calculate the asset intensity of the following companies, the financial statements have been downloaded and the calculation that has been made is as follows:

-Net Operating Working Capital: is the sum of transaction costs, account receivable, inventory other operating assets, from which it is subtracted, account payable, taxes payable and other operating current liabilities.

- Net Operating Other Long Term Assets: this is the sum of other long term assets and other long term liabilities.

- Net Property Plant and Equipment.

Iuter (Youth S.R.L): NOA= 409.685, Sales= 6.992,109, asset intensity= 5,8%.

GCDS (GCDS S.R.L): NOA= -565,936. Sales= 11.660,100. Asset intensity= -4,8%.

N21 (2112 S.R.L): NOA= 1.380,901. Sales= 12.685,608. Asset intensity= 10,8%.

Palm Angels (Palm Angels S.R.L): 240,200 1.920,890 12.5%

Registro Imprese - Archivio Ufficiale delle C.C.I.A.A.
Bilancio aggiornato al 31/12/2018

PALM ANGELS S.R.L.
Codice fiscale: 08773470961

v.2.9.5

PALM ANGELS SRL

Stato patrimoniale

	31-12-2018	31-12-2017
Stato patrimoniale		
Attivo		
A) Crediti verso soci per versamenti ancora dovuti	7.500	7.500
B) Immobilizzazioni		
I - Immobilizzazioni immateriali	64.417	58.183
II - Immobilizzazioni materiali	5.771	7.371
III - Immobilizzazioni finanziarie	0	0
Totale immobilizzazioni (B)	70.188	65.554
C) Attivo circolante		
II - Crediti		
esigibili entro l'esercizio successivo	86.470	17.388
imposte anticipate	0	0
Totale crediti	86.470	17.388
IV - Disponibilità liquide	469.600	6.527
Totale attivo circolante (C)	556.070	23.915
D) Ratei e risconti	29	5
Totale attivo	633.787	96.974
Passivo		
A) Patrimonio netto		
I - Capitale	10.000	10.000
II - Riserva da soprapprezzo delle azioni	0	0
III - Riserve di rivalutazione	0	0
IV - Riserva legale	1.882	1.882
V - Riserve statutarie	0	0
VI - Altre riserve	125.755	125.755
VII - Riserva per operazioni di copertura dei flussi finanziari attesi	0	0
VIII - Utili (perdite) portati a nuovo	(113.775)	(89.317)
IX - Utile (perdita) dell'esercizio	856.634	(24.458)
Perdita ripianata nell'esercizio	0	0
X - Riserva negativa per azioni proprie in portafoglio	0	0
Totale patrimonio netto	880.496	23.862
D) Debiti		
esigibili entro l'esercizio successivo	327.587	7.087
esigibili oltre l'esercizio successivo	66.000	66.000
Totale debiti	393.587	73.087
E) Ratei e risconti	0	25
Totale passivo	1.274.083	96.974

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Bilancio aggiornato al 31/12/2018

PALM ANGELS S.R.L.
Codice fiscale: 08773470961

v.2.9.5

PALM ANGELS SRL

Conto economico

31-12-2018 31-12-2017

Conto economico		
A) Valore della produzione		
1) ricavi delle vendite e delle prestazioni	1.920.890	609.962
5) altri ricavi e proventi		
altri	0	1
Totale altri ricavi e proventi	0	1
Totale valore della produzione	1.620.829	609.963
B) Costi della produzione		
7) per servizi	450.563	5.945
8) per godimento di beni di terzi	0	620.058
10) ammortamenti e svalutazioni		
a), b), c) ammortamento delle immobilizzazioni immateriali e materiali, altre svalutazioni delle immobilizzazioni	8.707	7.965
a) ammortamento delle immobilizzazioni immateriali	7.107	6.365
b) ammortamento delle immobilizzazioni materiali	1.600	1.600
Totale ammortamenti e svalutazioni	8.707	7.965
14) oneri diversi di gestione	688	455
Totale costi della produzione	459.958	634.423
Differenza tra valore e costi della produzione (A - B)	1.160.871	(24.460)
C) Proventi e oneri finanziari		
16) altri proventi finanziari		
d) proventi diversi dai precedenti		
altri	0	2
Totale proventi diversi dai precedenti	0	2
Totale altri proventi finanziari	0	2
17-bis) utili e perdite su cambi	(1.033)	0
Totale proventi e oneri finanziari (15 + 16 - 17 + - 17-bis)	(1.033)	2
Risultato prima delle imposte (A - B + - C + - D)	1.159.838	(24.458)
20) Imposte sul reddito dell'esercizio, correnti, differite e anticipate		
imposte correnti	303.204	0
Totale delle imposte sul reddito dell'esercizio, correnti, differite e anticipate	303.204	0
21) Utile (perdita) dell'esercizio	856.634	(24.458)

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Bilancio aggiornato al 31/12/2018

YOUTH SRL
Codice fiscale: 03680600966

v.2.9.4

YOUTH S.R.L.

Stato patrimoniale

	31-12-2018	31-12-2017
Stato patrimoniale		
Attivo		
A) Crediti verso soci per versamenti ancora dovuti	0	0
B) Immobilizzazioni		
I - Immobilizzazioni immateriali	58.133	64.964
II - Immobilizzazioni materiali	181.523	191.886
III - Immobilizzazioni finanziarie	0	0
Totale immobilizzazioni (B)	239.656	256.850
C) Attivo circolante		
I - Rimanenze	1.214.023	1.167.672
II - Crediti		
esigibili entro l'esercizio successivo	1.116.308	975.241
esigibili oltre l'esercizio successivo	1.551	1.551
Totale crediti	1.117.859	976.792
III - Attività finanziarie che non costituiscono immobilizzazioni	250	250
IV - Disponibilità liquide	449.754	137.485
Totale attivo circolante (C)	2.781.886	2.282.199
D) Ratei e risconti	41.506	9.815
Totale attivo	3.063.048	2.548.864
Passivo		
A) Patrimonio netto		
I - Capitale	60.000	60.000
II - Riserva da sovrapprezzo delle azioni	0	0
III - Riserve di rivalutazione	0	0
IV - Riserva legale	16.595	3.885
V - Riserve statutarie	0	0
VI - Altre riserve	0	0
VII - Riserva per operazioni di copertura dei flussi finanziari attesi	0	0
VIII - Utili (perdite) portati a nuovo	280.513	39.024
IX - Utile (perdita) dell'esercizio	255.529	254.199
Perdita ripianata nell'esercizio	0	0
X - Riserva negativa per azioni proprie in portafoglio	0	0
Totale patrimonio netto	612.637	357.108
B) Fondi per rischi e oneri	0	0
C) Trattamento di fine rapporto di lavoro subordinato	68.608	64.609
D) Debiti		
esigibili entro l'esercizio successivo	2.230.847	1.954.909
esigibili oltre l'esercizio successivo	141.354	166.959
Totale debiti	2.372.201	2.121.868
E) Ratei e risconti	9.602	5.279
Totale passivo	3.063.048	2.548.864

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Bilancio aggiornato al 31/12/2018

YOUTH SRL
Codice fiscale: 03680600966

v.2.9.4

YOUTH S.R.L.

Conto economico

31-12-2018 31-12-2017

Conto economico

A) Valore della produzione		
1) ricavi delle vendite e delle prestazioni	6.661.803	4.292.599
2), 3) variazioni delle rimanenze di prodotti in corso di lavorazione, semilavorati e finiti e dei lavori in corso su ordinazione	322.778	77.930
2) variazioni delle rimanenze di prodotti in corso di lavorazione, semilavorati e finiti	322.778	77.930
5) altri ricavi e proventi		
altri	7.528	17.620
Totale altri ricavi e proventi	7.528	17.620
Totale valore della produzione	6.992.109	4.388.149
B) Costi della produzione		
6) per materie prime, sussidiarie, di consumo e di merci	1.694.326	1.092.421
7) per servizi	3.190.883	2.177.987
8) per godimento di beni di terzi	231.182	198.540
9) per il personale		
a) salari e stipendi	750.778	540.411
b) oneri sociali	182.470	107.311
c), d), e) trattamento di fine rapporto, trattamento di quiescenza, altri costi del personale	45.109	32.190
c) trattamento di fine rapporto	45.109	32.190
Totale costi per il personale	978.357	679.912
10) ammortamenti e svalutazioni		
a), b), c) ammortamento delle immobilizzazioni immateriali e materiali, altre svalutazioni delle immobilizzazioni	81.678	71.876
a) ammortamento delle immobilizzazioni immateriali	25.546	22.964
b) ammortamento delle immobilizzazioni materiali	56.132	48.912
d) svalutazioni dei crediti compresi nell'attivo circolante e delle disponibilità liquide	4.901	4.721
Totale ammortamenti e svalutazioni	86.579	76.597
11) variazioni delle rimanenze di materie prime, sussidiarie, di consumo e merci	276.427	(382.734)
14) oneri diversi di gestione	120.011	136.432
Totale costi della produzione	6.577.765	3.979.155
Differenza tra valore e costi della produzione (A - B)	414.344	408.994
C) Proventi e oneri finanziari		
16) altri proventi finanziari		
d) proventi diversi dai precedenti		
altri	41	59
Totale proventi diversi dai precedenti	41	59
Totale altri proventi finanziari	41	59
17) interessi e altri oneri finanziari		
altri	32.151	22.122
Totale interessi e altri oneri finanziari	32.151	22.122
17-bis) utili e perdite su cambi	(4.392)	(1.145)
Totale proventi e oneri finanziari (15 + 16 - 17 + - 17-bis)	(36.502)	(23.208)
D) Rettifiche di valore di attività e passività finanziarie		
Totale delle rettifiche di valore di attività e passività finanziarie (18 - 19)	0	0
Risultato prima delle imposte (A - B + - C + - D)	377.842	385.786
20) Imposte sul reddito dell'esercizio, correnti, differite e anticipate		
imposte correnti	122.313	131.587
Totale delle imposte sul reddito dell'esercizio, correnti, differite e anticipate	122.313	131.587

Registro Imprese - Archivio Ufficiale delle C.C.I.A.A.
Bilancio aggiornato al 31/12/2018

GCDS S.R.L.
Codice fiscale: 09146210969

v.2.9.5

GCDS S.R.L.

Stato patrimoniale

	31-12-2018	31-12-2017
Stato patrimoniale		
Attivo		
B) Immobilizzazioni		
I - Immobilizzazioni immateriali	388.514	99.983
II - Immobilizzazioni materiali	216.493	79.762
III - Immobilizzazioni finanziarie	5	0
Totale immobilizzazioni (B)	605.012	179.745
C) Attivo circolante		
I - Rimanenze	2.197.273	457.386
II - Crediti		
esigibili entro l'esercizio successivo	2.370.598	738.390
esigibili oltre l'esercizio successivo	56.117	78
imposte anticipate	473	70.270
Totale crediti	2.427.188	808.738
IV - Disponibilità liquide	673.617	640.787
Totale attivo circolante (C)	5.298.078	1.906.911
D) Ratei e risconti	320.598	23.291
Totale attivo	6.223.688	2.109.947
Passivo		
A) Patrimonio netto		
I - Capitale	10.000	10.000
IV - Riserva legale	2.000	2.000
VI - Altre riserve	202.168	9.365
IX - Utile (perdita) dell'esercizio	101.041	192.803
Totale patrimonio netto	315.209	214.168
B) Fondi per rischi e oneri	420	269.505
C) Trattamento di fine rapporto di lavoro subordinato	44.045	14.877
D) Debiti		
esigibili entro l'esercizio successivo	3.864.014	1.611.397
esigibili oltre l'esercizio successivo	2.000.000	0
Totale debiti	5.864.014	1.611.397
Totale passivo	6.223.688	2.109.947

Registro Imprese - Archivio Ufficiale delle C.C.I.A.A.
Bilancio aggiornato al 31/12/2018

GCDS S.R.L.
Codice fiscale: 09146210969

v.2.9.5

GCDS S.R.L.

Conto economico

	31-12-2018	31-12-2017
Conto economico		
A) Valore della produzione		
1) ricavi delle vendite e delle prestazioni	11.631.983	6.095.294
5) altri ricavi e proventi		
altri	34.117	84.714
Totale altri ricavi e proventi	34.117	84.714
Totale valore della produzione	11.666.100	6.180.008
B) Costi della produzione		
6) per materie prime, sussidiarie, di consumo e di merci	6.692.925	3.075.273
7) per servizi	4.873.043	2.292.752
8) per godimento di beni di terzi	302.529	153.286
9) per il personale		
a) salari e stipendi	523.017	188.622
b) oneri sociali	185.749	74.843
c), d), e) trattamento di fine rapporto, trattamento di quiescenza, altri costi del personale	29.225	13.420
c) trattamento di fine rapporto	29.225	13.420
Totale costi per il personale	737.991	276.885
10) ammortamenti e svalutazioni		
a), b), c) ammortamento delle immobilizzazioni immateriali e materiali, altre svalutazioni delle immobilizzazioni	113.070	32.644
a) ammortamento delle immobilizzazioni immateriali	83.268	22.636
b) ammortamento delle immobilizzazioni materiali	29.802	10.008
d) svalutazioni dei crediti compresi nell'attivo circolante e delle disponibilità liquide	4.541	1.887
Totale ammortamenti e svalutazioni	117.611	34.531
11) variazioni delle rimanenze di materie prime, sussidiarie, di consumo e di merci	(1.736.154)	(375.389)
12) accantonamenti per rischi	0	248.999
14) oneri diversi di gestione	488.773	165.682
Totale costi della produzione	11.476.718	5.872.019
Differenza tra valore e costi della produzione (A - B)	189.382	307.989
C) Proventi e oneri finanziari		
16) altri proventi finanziari		
d) proventi diversi dai precedenti		
altri	52	33
Totale proventi diversi dai precedenti	52	33
Totale altri proventi finanziari	52	33
17) interessi e altri oneri finanziari		
altri	515	2
Totale interessi e altri oneri finanziari	515	2
17-bis) utili e perdite su cambi	(7.364)	(1.391)
Totale proventi e oneri finanziari (15 + 16 - 17 + - 17-bis)	(7.827)	(1.360)
Risultato prima delle imposte (A - B + - C + - D)	181.555	306.629
20) Imposte sul reddito dell'esercizio, correnti, differite e anticipate		
imposte correnti	10.716	184.043
imposte relative a esercizi precedenti	0	53
imposte differite e anticipate	69.798	(70.270)
Totale delle imposte sul reddito dell'esercizio, correnti, differite e anticipate	80.514	113.826
21) Utile (perdita) dell'esercizio	101.041	192.803

Registro Imprese - Archivio Ufficiale delle C.C.I.A.A.

Bilancio aggiornato al 31/12/2018

2112 S.R.L.

Codice fiscale: 06651190966

v.2.9.4

2112 SRL

Stato patrimoniale

	31-12-2018	31-12-2017
Stato patrimoniale		
Attivo		
B) Immobilizzazioni		
I - Immobilizzazioni immateriali	2.800.837	2.365.861
II - Immobilizzazioni materiali	55.088	26.232
III - Immobilizzazioni finanziarie	685.000	685.000
Totale immobilizzazioni (B)	3.540.925	3.077.093
C) Attivo circolante		
I - Rimanenze	1.037.609	752.813
II - Crediti		
esigibili entro l'esercizio successivo	4.578.532	4.675.156
imposte anticipate	67.771	67.771
Totale crediti	4.389.955	4.742.927
IV - Disponibilità liquide	1.553.893	2.354.802
Totale attivo circolante (C)	6.981.457	7.850.542
D) Ratei e risconti	531.200	526.638
Totale attivo	11.309.930	11.454.273
Passivo		
A) Patrimonio netto		
I - Capitale	92.857	92.857
II - Riserva da sovrapprezzo delle azioni	2.372.143	2.372.143
III - Riserve di rivalutazione	15.400	15.400
IV - Riserva legale	18.600	18.600
VI - Altre riserve	1 ⁽¹⁾	(1)
VIII - Utili (perdite) portati a nuovo	2.936.436	2.263.573
IX - Utile (perdita) dell'esercizio	5.414	672.863
Totale patrimonio netto	5.440.851	5.435.435
C) Trattamento di fine rapporto di lavoro subordinato	111.619	56.646
D) Debiti		
esigibili entro l'esercizio successivo	2.530.404	3.097.135
esigibili oltre l'esercizio successivo	3.070.152	2.844.266
Totale debiti	5.600.556	5.941.401
E) Ratei e risconti	156.904	20.791
Totale passivo	11.309.930	11.454.273

(1)

Altre riserve	31/12/2017
Differenza da arrotondamento all'unità di Euro	(1)

Registro Imprese - Archivio Ufficiale delle C.C.I.A.A.
Bilancio aggiornato al 31/12/2018

2112 S.R.L.
Codice fiscale: 06651190966

v.2.9.4

2112 SRL

Conto economico

	31-12-2018	31-12-2017
Conto economico		
A) Valore della produzione		
1) ricavi delle vendite e delle prestazioni	9.121.766	7.222.083
5) altri ricavi e proventi		
altri	3.563.842	93.811
Totale altri ricavi e proventi	3.563.842	93.811
Totale valore della produzione	12.685.608	7.315.894
B) Costi della produzione		
6) per materie prime, sussidiarie, di consumo e di merci	6.532.528	2.732.021
7) per servizi	3.903.850	2.773.223
8) per godimento di beni di terzi	355.294	324.323
9) per il personale		
a) salari e stipendi	985.861	575.642
b) oneri sociali	257.337	160.105
c), d), e) trattamento di fine rapporto, trattamento di quiescenza, altri costi del personale	230.074	39.673
c) trattamento di fine rapporto	65.414	39.673
d) trattamento di quiescenza e simili	820	-
e) altri costi	163.840	-
Totale costi per il personale	1.473.272	775.420
10) ammortamenti e svalutazioni		
a), b), c) ammortamento delle immobilizzazioni immateriali e materiali, altre svalutazioni delle immobilizzazioni	475.420	379.913
a) ammortamento delle immobilizzazioni immateriali	463.271	375.575
b) ammortamento delle immobilizzazioni materiali	12.149	4.338
Totale ammortamenti e svalutazioni	475.420	379.913
11) variazioni delle rimanenze di materie prime, sussidiarie, di consumo e merci	(284.796)	(704.368)
14) oneri diversi di gestione	171.243	55.040
Totale costi della produzione	12.626.811	6.335.572
Differenza tra valore e costi della produzione (A - B)	58.797	980.322
C) Proventi e oneri finanziari		
16) altri proventi finanziari		
d) proventi diversi dai precedenti		
altri	1.631	1.142
Totale proventi diversi dai precedenti	1.631	1.142
Totale altri proventi finanziari	1.631	1.142
17) interessi e altri oneri finanziari		
altri	36.457	27.968
Totale interessi e altri oneri finanziari	36.457	27.968
17-bis) utili e perdite su cambi	(1.848)	108
Totale proventi e oneri finanziari (15 + 16 - 17 + - 17-bis)	(36.674)	(26.718)
Risultato prima delle imposte (A - B + - C + - D)	22.123	953.604
20) Imposte sul reddito dell'esercizio, correnti, differite e anticipate		
imposte correnti	16.709	307.280
imposte differite e anticipate	-	(5.937)
proventi (oneri) da adesione al regime di consolidato fiscale / trasparenza fiscale	-	20.602
Totale delle imposte sul reddito dell'esercizio, correnti, differite e anticipate	16.709	280.741
21) Utile (perdita) dell'esercizio	5.414	672.863

Thanksgiving

These thanks go to those who taught me how to live the most and contributed to my growth.

I begin this long list of thanks by starting with my family, which is the fundamental core of my existence. The bond and the strength that binds us five is inexplicable, always around and always taken from our commitments, but always us. I thank my parents who, since I was a child have left me free to make all my choices, with only one tacit dogma: that of bringing every decision to the end without ever giving up.

My mother, who taught me that you can do everything in life, just want it. She was able to raise three children, sacrificing herself for my father's dreams, with the weight of an important job and despite this she also managed to enjoy life.

To my father, my guide, who even though he was far away physically made us grow up without feeling this lack. I know that you did a lot of what you did professionally to make us live a wonderful life. From you I learned to see things from different points of view, to listen and respect people.

To Elettra and Ginevra, sisters and friends who have helped me every day to become a better adult, indescribable is who you are.

All this goes to you, despite the burden that unfortunately I have to make you bear, remember how wonderful our life is.

To Bianca, my girlfriend, best friend and fundamental pawn of this journey, who has suffered many desperate phone calls and has always been ready to encourage me and remind me to move forward, even if the distance between us became increasingly heavy, she has always put in front me and my choice. Your smile filled my heart from the first moment I met you. From you I learned to live with a little more lightness, the one I missed. I rediscovered the pleasure of small things and I understood that happiness resides in simplicity. I will never be grateful enough for all you have done for me, you have been able to take charge of bigger situations than you and without asking anything, you have remained by my side even when you could have given up.

To my brothers Nanni, Simo and Albi. So different from each other but so complementary, they taught me what friendship and respect are, they were always ready there for me. They are willing to do anything to make me happy and for this I thank their infinite patience. I don't know what I would do without you.

To Vic, life partner, fundamental friend without whom I could never have become the person I am, even if life today keeps us away, we are always the same. Our laughter and our vision of life are what bind us deeply, we don't need words to understand each other.

Obviously the great David cannot be missing, a faithful companion, always by my side willing to sacrifice his time to help me. This result is also thanks to you, his patience in explaining to me what I did not understand and in helping me with the projects will remain imprinted forever in my mind. Truly, without you I could never have concluded this path.

Of course my dear friend Carlotta, faithful friend and shoulder on which to rely, with her infinite sensitivity has helped me in the most difficult moments, life has in store the best for you.

To Richi, Fede, Dunde, Cisto and Ghery, companions of a thousand trips, but above all of great laughter, which without even knowing it, bring me back to live my life as a 24-year-old, when it becomes too hard.

To the friends of Rua do Salitre and the fantastic brunches, which filled me with memories and joy.

And finally to me, who in spite of everything, I made it. I'm not used to praising myself, but I think that today this has been the most difficult and successful battle of my life. This experience, which I wanted strongly for years, came in a very hard time. But thanks to all the people who were close to me and whom I call "My Family" I came out as a winner.

As someone who is no longer with on this earth, but is always in my heart taught me, true success in life is measured by the amount of love you receive.

Gregorio